



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Monday Evening, May 12, 2008

Major Developments

Tornadoes Ravage Midwest—Heavy Winds and Storms Batter Much of East Coast May 11-12, Leaving Almost 600,000 Without Power

Tornadoes and heavy storms blew through the Midwest and East Coast, killing at least 22 people, flooding roads, destroying homes and cutting power to more than 500,000 customers. Winds gusted between 35-50 miles per hour, according to weather reports. Most severely impacted were Missouri, Oklahoma and Georgia, where President George W. Bush promised federal assistance. Georgia Power, which reported 39,000 in the dark this morning, expected to restore most downed customers by midnight tonight. Meanwhile, heavy outages continued along the East Coast, as of this afternoon, May 12. The following table outlines the outages, by state:

U.S. Midwest and East Coast			
May 11-12			
Electric Utility	State	Peak	Latest Reported
Baltimore Gas & Electric	MD	96,439	15,851
Pepco	MD	15,924	5,390
Delmarva	MD	10,038	4,190
Georgia Power	GA	80,000	39,000
Ameren UE	MO	53,905	3,524
New Mac Electric Cooperative	MO	7,000	7,000
Appalachian Power	WV	40,364	14,000
Allegheny Power	WV	11,903	942
Atlantic City Electric	NJ	48,443	37,058
Dominion	VA	37,513	9,010
Ameren	IL	34,199	282
Delmarva	DE	25,566	20,849
SCE&G	SC	14,803	422
Duke Energy	SC	9,261	164
Knoxville Utility Board	TN	16,000	3,000
EPB	TN	4,000	2,000
Empire District Electric	OK	14,000	1,400
Public Service of Oklahoma	OK	3,000	3,000
Northeast Oklahoma Electric Cooperative	OK	1,500	400
Alabama Power	AL	17,000	8,500
Duke Energy	NC	14,565	10,941
Pepco	DC	8,226	1,155
Duke Energy	IN	5,349	84
Louisville Gas & Electric	KY	1,700	650
TOTAL*		570,698	188,812

*Total outages only represent electric utilities listed in this table.

Sources:

<http://www.bge.com/portal/site/bge/menuitem.42d31413f80c584606370f10d66166a0/>
<http://www.pepco.com/home/emergency/maps/zip/default.aspx>
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<http://www.whsv.com/westvirginiaap/headlines/18859719.html>
<http://www.allegHENypower.com/CSC/Services/PowerOutages.asp>
<http://www.newmac.com/>

Power Failure Stalls Production at BP's 380,000 b/d Prudhoe Bay Oilfield in Alaska May 9 Power Restored, But Production to be Curtailed for "Next Few Days," as of May 9

A truck hit a compressed air line outside Prudhoe Bay's central power station, cutting power to the facility. The air line was associated with the power station's fuel control system. BP restored power to the facility May 9, but the incident still crippled the nearby crude production. It is unclear if the affected fields—BP's 380,000 b/d-to-400,000 b/d Prudhoe Bay field, and BP's 79,000 b/d Northstar field—were completely halted, or just significantly reduced. A BP spokesperson said that output would be "way down" May 9, and "ramp up in the next few days." The disruption also halted seven processing plants. BP expected to restore four of those facilities May 9.

Bloomberg News, 19:51 May 9, 2008

http://biz.yahoo.com/ap/080509/prudhoe_bay_power.html?.v=2

Electricity

PG&E's 1,087 MW Diablo Canyon Nuke Unit 2 in California Reduced to 73 Percent by May 12

The Nuclear Regulatory Commission reported that on the morning of May 11 the unit was operating at full power. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Update: Exelon's 1,131 MW Byron Nuke Unit 2 in Illinois at Full Power by May 10

The Nuclear Regulatory Commission reported that on the morning of May 9 the unit was operating at 90 percent. The company reduced the unit May 9 for valve testing, according to earlier reports.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Bloomberg News, May 9, 2008

Exelon's 1,116 MW Peach Bottom Nuke Unit 2 in Pennsylvania at Full Power by May 11

The Nuclear Regulatory Commission reported that on the morning of May 10 the unit was operating at 81 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

PSEG's 1,116 MW Salem Nuke Unit 2 in New Jersey Ramps up to 80 Percent by May 12

Public Service Enterprise Group (PSEG) shut the unit May 9 after intake screens faulted. The company expects to restore the unit to full power sometime this week.

Bloomberg News, 09:08 May 12, 2008

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Entergy's 966 MW River Bend Nuke Unit 1 in Louisiana at Full Power by May 12

The Nuclear Regulatory Commission reported that on the morning of May 11 the unit was operating at 84 percent. The unit reduced to 63 percent power by May 10.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Exelon's 855 MW Quad Cities Nuke Unit 1 in Illinois Ramped Up to 97 Percent by May 12

The Nuclear Regulatory Commission reported that the unit reduced to 46 percent power by May 11. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Entergy's 813 MW FitzPatrick Nuke Unit in New York at Full Power by May 11

The Nuclear Regulatory Commission reported that on the morning of May 10 the unit was operating at 85 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Progress Energy's 811 MW Brunswick Nuke Unit 2 in North Carolina at Full Power by May 12

The Nuclear Regulatory Commission reported that the unit reduced to 70 percent power by May 11.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Calpine's 561 MW Los Medanos Gas-fired Unit in California Returns to Service May 11

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 297 MW on May 10.

<http://www.caiso.com/unitstatus/data/unitstatus200805111515.html>

Duke's 150 MW Southbay Gas-fired Unit 2 in California Returns to Service May 10

According to the California Independent System Operator, the unit experienced an unplanned outage on May 9.

<http://www.caiso.com/unitstatus/data/unitstatus200805101515.html>

TransAlta's 381 MW Keephills 2 Coal-fired Unit in Alberta Shut May 9

Reuters, 10:24 May 12, 2008

TransAlta's 280 MW Sundance 2 Coal-fired Unit in Alberta Shut May 10

Reuters, 10:24 May 12, 2008

Update: OPG Restarts 494 MW Lambton Coal-fired Unit 2 in Ontario by May 12

The unit shut by May 9.

Reuters, 09:51 May 12, 2008

Duke Energy Plans 620 MW Gas-fired Peaking Unit at Buck Steam Station in North Carolina

Pending state approval, the plant would come online in two stages: as a simple-cycle facility by summer, 2010, and in combined-cycle mode by 2011.

<http://www.reuters.com/article/bondsNews/idUSN5B55401120080511>

<http://charlotte.bizjournals.com/charlotte/stories/2008/05/12/daily6.html?ana=yfcpc>

Update: Aquila Not Required to Scrap South Harper Power Plant in Missouri, State Senate Rules

The Missouri Public Service Commission can retroactively approve Aquila's South Harper Power Plant, the Missouri State Senate ruled May 8. Aquila opened the peaking plant in June, 2005, without first receiving local zoning permits. The company argued it had a state-granted "certificate of need" for the facility, and therefore did not need local consent. The county filed suit against Aquila. The Missouri Public Service Commission, however, said Aquila's plant was necessary, and ruled to approve it in 2006. Subsequent legal rulings dismissed the Commission's retroactive support, but the Missouri State Senate overturned those dismissals, arguing the plant could be approved post-construction if it was "necessary or convenient for the public service."

http://biz.yahoo.com/ap/080509/mo_aquila_dispute.html?.v=1

Petroleum

Several Units Shut at BP's 417,000 b/d Texas City, Texas Refinery

A malfunction in late April halted a gasoline-producing unit and a coker, a source said. Those units are still shut. Separately, the company plans to restart a 55,000 b/d alkylation unit this week. It also is working to restart a 62,000 b/d fluid catalytic cracker (FCC). BP offered no restart date for that unit—it shut in late April and was projected to return to service last week.

Reuters, 12:19 May 12, 2008

Delek Slows FCC at 58,000 b/d Tyler, Texas Refinery May 11

The company will reduce a 20,000 b/d gasoline-producing fluidic catalytic cracking unit (FCC) as it performs repairs to a unit boiler.

Reuters, 17:58 May 11, 2008

Valero Nears Planned Rates After May 11 Power Outage at 135,000 b/d Wilmington, California Refinery

A power outage briefly slowed the refinery Sunday morning, May 11. The company began restoring the facility by the afternoon, and had restarted all its units by Monday morning, May 12. The incident should not significantly impact production, a spokesman said.

Reuters, 10:53 May 12, 2008

Update: PDVSA to Restart 335,000 b/d Isla Refinery on Curacao, Netherlands Antilles May 9-11

A broken part caused the outage. Though the facility can process about 335,000 b/d, it typically operates at about 205,000 b/d to 215,000 b/d.

Bloomberg News, 22:03 May 9, 2008

Update: Chevron Expects Full Production at 210,000 Pembroke, United Kingdom by This Week's End

The refinery shut April 30 after a boiler malfunction. Workers began to restart the facility on Friday, May 9. The company has restarted multiple units, and expects to resume normal rates by the end of this week.

Reuters, 05:33 May 12, 2008

FARC Militants Attack 100,000 b/d Transandino Oil Pipeline in Colombia May 8

The rebels attacked five sections of the pipeline and ignited a fire, a news source said. Troops were unable to enter the area and extinguish the blaze, the source said, because FARC guerrillas usually leave trails of landmines as they leave the scene of attack. It is unclear how much crude the pipeline was transporting at the time of the incident, or how much production was impacted. The pipeline moves crude from Colombia's southwestern Putumayo province to the Tumaco port on the Pacific.

http://www.rigzone.com/news/article.asp?a_id=61721

Chevron Receives County Approval for Proposed 4,000-to-32,000 b/d, 57-mile, 10.75-inch Heavy Crude Pipeline in California

The pipeline would move heated heavy crude from the San Ardo oilfield to a pipeline near Coalinga, California. From there, the crude would be delivered to a refinery in the San Francisco Bay Area. The pipeline should enter service in 2010 or 2011, and deliver between 4,000 and 32,000 b/d of crude.

http://www.downstreamtoday.com/News/Articles/200805/Fresno_County_Panel_Back_Pipeline_for_H_10741.aspx

Magellan Midstream to Build 150,000 b/d, 16-inch, 80-mile Pipeline from Houston to Port Arthur, Texas—Also Plans Oil Storage and Ethanol Expansions at Two Texas Facilities

The build would also involve upgrades to an associated terminal. Magellan Midstream Partners expects the pipeline to come online by 2011. Magellan also plans to add 1.2 million barrels of storage capacity and three new truck rack lanes at its East Houston terminal, as well as 200,000 barrels of storage at its Frost, Texas facility. The company expects to complete those upgrades by 2010. Further, Magellan is adding ethanol blending capabilities and a third truck rack lane at its West Fort Worth terminal by third quarter 2008 and intends to expand loading capabilities at its Odessa terminal with the addition of two truck rack lanes by early 2009.

http://www.magellanlp.com/news/2008/20080512_10.htm

http://biz.yahoo.com/ap/080512/magellan_midstream_partners_lp.html?.v=1

Update: BP Sees June Restart of 145,000 b/d Baku, Azerbaijan-Supsa, Georgia Pipeline

BP halted the pipeline in November, 2006 for repairs. It moves crude from Baku, Azerbaijan to Georgia's Supsa port on the Black Sea.

<http://www.energyintel.com>

Imperial Oil Completes Repairs to Boiler at 119,000 b/d Sarnia, Ontario Refinery—Expects Full Production Soon

The company began repairs to the boiler on April 25, and finished by May 8. The incident slowed the refinery, but did not affect fuel supplies in Ontario, a spokesman said. As of May 9, the refinery was nearing, or already at normal production rates, the spokesman said.

Bloomberg News, 11:03 May 9, 2008

Natural Gas

Leak Along Southern California Gas Company's 8-inch Natural Gas Pipeline Stalls Trains for 9 Hours in California May 9

Rail lines in Orange County, California were closed from about 8 AM May 9 until late afternoon.

http://origin.mercurynews.com/news/ci_9214579

Kinder Morgan, Sempra and ConocoPhillips to Begin Service Along 210-mile Section of REX-West Natural Gas Pipeline

Pending regulatory approvals, part of the Rockies Express West (REX-West) natural gas pipeline will open for service "on or after May 13," a company release said. The 210-mile section runs from Kansas to Missouri.

Reuters, 10:43 May 12, 2008

Clean Energy Construction Plans 60 Million Gallon/Year LNG Facility in California

Construction began in August, 2007. The facility will include two 80,000 gallon/day liquefaction trains.

BSW, 10:35 May 12, 2008

Terasen Gas Breaks Ground on 1.5 Bcf Mt. Hayes Natural Gas Storage Facility in Vancouver Island, Canada

The company expects to complete the facility by late 2011. It will hold 1.5 Bcf of liquefied natural gas (LNG), and be fed by Terasen's already-installed pipeline systems.

<http://www.terasengas.com/AboutUs/News/TGBreaksGroundMtHayesProject.htm>

Virginia Natural Gas Breaks Ground on 100,000 Dth/d Hampton Roads Crossing Natural Gas Pipeline in Virginia

The pipeline will cross the Hampton Roads harbor, connecting northern and southern pipeline systems. The project should be complete by late 2009.

<http://www.streetinsider.com/Press+Releases/Virginia+Natural+Gas+Breaks+Ground+on+Hampton+Roads+Crossing/3635849.html>

<http://www.virginianaturalgas.com>

Southern Natural Gas Repairs Main Pass 107 Natural Gas Pipeline Near Toca, Louisiana—Lifts Force Majeure May 10

<http://ixsnp.sonetpremier.com/ebbSNG/Notices/NoticeView.asp?sPipelineCode=SNG&sSubCategory=C&sNoticeId=26438&sIdentifier=05/10/2008#3>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
May 12, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	124.73	119.66	62.20
NATURAL GAS Henry Hub \$/Million Btu	11.29	10.37	7.63

Source: Reuters

Energy Notes

Iguana Crawls into Equipment, Cuts Power Briefly to 20,000 FPL Customers May 8

<http://www.sun-sentinel.com/news/local/broward/sfl-flbiguana0509sbmay09.0.4744174.story>

Wind, Hail Cut Power to 10,000 Knoxville Utilities Board Customers in Tennessee May 8

<http://www.thedailytimes.com/article/20080510/NEWS/679100605>

Update: Citing Global Warming, Judges Question Necessity of Coal-fired Power—Rule Against Proposed Transmission Line in Minnesota, Associated with Utilities' Planned 630 MW Coal-fired Big Stone II Power Plant in South Dakota

<http://kstp.com/article/stories/S440455.shtml?cat=1>

New Jersey Board of Public Utilities Evaluates Bids for Up to 350 MW of Wind Power

Reuters, 08:40 May 9, 2008

Boiler Trip Causes Flaring at ExxonMobil's 363,100 b/d Beaumont, Texas Refinery May 10

Bloomberg News, 12:24 May 11, 2008

Cogen Upset Causes Flaring at Chevron's 242,901 b/d Richmond, California Refinery May 9

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/a7c3c012b644a0e78825744400646ba9?OpenDocument>

Compressor Trip Causes Flaring at Shell's 156,000 b/d Martinez, California Refinery May 8

Reuters, 12:30 May 9, 2008

Flaring at Valero's 77,000 b/d Wilmington, California Refinery May 11

Bloomberg News, 13:19 May 11, 2008

Motiva Increases On-Site Power Generation at 285,000 b/d Port Arthur, Texas Refinery as Entergy Performs Repairs to Associated Substation, Warns of Potential Power Failure

Reuters, 18:13 May 11, 2008

Tesoro's 166,000 b/d Martinez, California Refinery to Invest in Pollution-Reducing Equipment, Pay \$1.5 Million in Air Pollution Fines—Penalties Cover Three-year Span

http://www.downstreamtoday.com/News/Articles/200805/Calif_Refinery_To_Pay_M_for_Air_Qua_10742.aspx

Update: Oil Companies May Postpone Start-up of Estimated 13 Billion Barrel Kashagan Oilfield in Caspian Sea Until 2012 or 2013—Kazakh Energy Minister

http://www.rigzone.com/news/article.asp?a_id=61766

Update: ConocoPhillips' Restores Full Output J-Block O&G Fields in United Kingdom's North Sea

Bloomberg News, 06:02 May 12, 2008

Strike Stalls 14 Tankers at Docks, Another 14 in Harbors at Fos and Lavera Oil Ports in France May 9

<http://www.platts.com/Oil/News/8722365.xml?p=Oil/News&sub=Oil>

Update: Fire Slows Restart of Ineos' 200,000 b/d Grangemouth, Scotland Refinery—Workers' Strike Shut Refinery in Late April

Reuters, 14:06 May 10, 2008

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/index.aspx>.

Please direct comments and questions to: ead@oe.netl.doe.gov